

30 July 2021

Committee Secretary Senate Standing Committees on Community Affairs PO Box 6100 Parliament House Canberra ACT 2600

Email: community.affairs.sen@aph.gov.au

Dear Senators,

# Re: inquiry into the purpose, intent and adequacy of the Disability Support Pension

I write on behalf of Australian Public Guardians and Advocates listed at the foot of this letter. Public Guardians and Advocates are appointed under state and territory legislation to make substitute decisions on behalf of adults with impaired decision-making capacity or to undertake systemic advocacy and other actions to protect the rights and interests of those adults. Our purpose in writing is to raise concerns about rate of Disability Support Pension (DSP) paid to young people under 21 years of age living away from home.

Currently, the DSP entitlements for eligible recipients aged 21 years and older are as per Table 1 below, with the maximum basic fortnightly rate being \$868.30 for a single person.

Pension rates per fortnight	Single	Couple each	Couple combined	Couple each, separated due to ill health
Maximum basic rate	\$868.30	\$654.50	\$1,309.00	\$868.30
Maximum Pension Supplement	\$70.30	\$53.00	\$106.00	\$70.30
Energy Supplement	\$14.10	\$10.60	\$21.20	\$14.10
TOTAL	\$952.70	\$718.10	\$1,436.20	\$952.70

#### Table 1 Disability Support Pension and other financial entitlements, 21 years and over

This compares with the basic fortnightly rate for a single person under 21 years old and living independently, of \$644.40.

Table 2 Disability	Support	Pension,	under 21	years
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Situation	Maximum rate per fortnight
Single, younger than 18, and dependent	\$435.10
Single, younger than 18, and independent	\$644.40
Single, 18 to 20, and dependent	\$486.50
Single, 18 to 20, and independent	\$644.40
A couple, and younger than 21	\$644.40

Level 7, 50 Ann Street | GPO Box 149, Brisbane QLD 4001 | 07 3738 9513 | public.advocate@justice.qld.gov.au | publicadvocate.qld.gov.au

We acknowledge that DSP recipients under 21 may also be eligible to receive additional allowances and supplements including the Pharmaceutical Allowance (\$6.20 per fortnight), the Telephone Allowance (\$44.60 per quarter), the Utilities Allowance (\$164.50 per quarter) and the Youth Disability Supplement (\$131.90 per fortnight).

However, even taking into account these additional allowances and supplements, there remains a significant discrepancy between the financial supports available to a person over 21 years receiving the DSP along with the other entitlements outlined in Table 1, which would total \$952.70 per fortnight, while a person under 21 years living independently could receive only \$817.35.

We acknowledge that there may be other payments, allowances or supplements that a young person receiving the DSP may be eligible for due to their age and circumstances, which due to the complexity of the system, we may have overlooked. Certainly, our exploration of these matters has demonstrated that information about the financial entitlements of a person with disability seeking to access the DSP is not readily accessible and the processes are unnecessarily repetitive and complex.

This system complexity and inaccessibility represents a major obstacle for vulnerable people seeking financial supports through Centrelink. These obstacles appear to be compounded for people seeking access to the DSP, with additional obstacles for people under 21 years, due to the range of extra allowances requiring them to identify and individually apply for all of their potential entitlements. These challenges are further magnified for people with cognitive disability, especially young people with intellectual disability or cognitive impairment. Given the relative youth and inexperience of this cohort in dealing with government systems, the complex array of allowances and supplements that they must individually identify they are eligible for and submit the necessary forms to apply for them, and their likely limited literacy, it makes no sense that our social security system requires this group of young and vulnerable people to individually identify and initiate access to a financial support to which they are entitled. It is difficult to understand why the Centrelink DSP system would be structured to operate in this way except to make it more difficult for already significantly disadvantaged people to access their full financial entitlements.

We are also deeply concerned that the rate of the DSP for a person aged under 21 years living independently is simply inadequate to cover the costs of independent living, either for those in the private rental market or those living in shared supported living arrangements.

We respectfully suggest to Committee Members that a far more appropriate, fair and responsive approach to the structuring of the DSP would be to adopt a single rate of DSP for all recipients living independently, irrespective of age. There is no reasonable basis to adopt different base rates of DSP on the basis of age when the costs of living independently for people in this cohort are unlikely to vary. It is also appropriate that Centrelink simplifies the various allowances and supplements available to DSP recipients and that staff are trained to actively inquire and support eligible people to access these additional financial supports rather than expect such a disadvantaged cohort to do this for themselves.

We collectively raised these issues with the Honourable Anne Ruston, in 2020. Our correspondence with the Minister is attached to this letter.

We respectfully request Committee Members to give these matters your urgent attention in the interests of ceasing the discriminatory treatment of some of our most vulnerable Australians.

Please direct responses to this letter to Dr John Chesterman, who will be assuming the position of Queensland Public Advocate from Friday 13 August 2021. He will be available for contact via email on <u>public.advocate@justice.qld.gov.au</u> or Ph: 07 3838 9513.

Yours sincerely

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Mary Burgess Public Advocate (Qld)

Shayna Smith Public Guardian (Qld) Colleen Pearce Public Advocate (Vic)

Anne Gale Public Advocate (SA)

Jodie Griffiths-Cook **Public Advocate (ACT)** 

Beth Walker Public Guardian (NT)

Deputy Public Trustee and Guardian (ACT)

Helen Connolly

Andrew Taylor Public Trustee and Guardian (ACT)

Anna Gauci
A/ Public Guardian (NSW)

Jeremy Harbottle Public Guardian (Tas)



The Hon Stuart Robert MP Minister for Government Services PO Box 6022 House of Representatives Parliament House Canberra ACT 2600

8 November 2019

### Dear Minister,

### Re: Youth rate of the Disability Support Pension

I am writing to you on behalf of Australian Public Guardians and Public Advocates listed in the panel at the foot of this letter. Public Guardians and/or Public Advocates are appointed under law in each state and territory and have a role in protecting adults who have a disability that impairs their capacity to make decisions. Our purpose in writing to you is to raise concerns about the inadequate rate of disability support pension (DSP) paid to young people under 21 years of age living away from home.

We understand the rate paid to a single person under 21 years of age living independently is \$585.00 per fortnight. This compares to a total of \$933.40 for a single person aged 21 or over, if entitled to the maximum basic rate plus pension supplement and energy supplement (neither supplement, we understand, is payable to a person under 21).

There does not appear to be any logic or justification for the low rate paid to people under 21 years of age. The living costs for a 20 year old person living independently are no different to those of a 21 year old, yet the rate paid to a person under 21 is less than 63% of that paid to a person of 21 years and over.

The unfairness of the difference in payment is starkly apparent for someone under 21 years sharing supported independent living (SIL) accommodation with others of 21 years and over. This is not an uncommon scenario for the people for whom we are appointed guardian. Standard arrangements would see all members of the household pay 75% of their Centrelink pension to the SIL provider, which covers rent, board and lodgings. However costs for the lease of a vehicle and some (special) shared community access activities will be split equally between the members of the household, regardless of the rate of DSP they receive.

The residual for a young person on the under-21 rate of DSP is often insufficient to fund day service costs and community access activities, such as entrance to a swimming pool or to the movies. We have had reports about some young people struggling to buy clothes and personal hygiene items, and critically, even medications and prescription glasses. None of these costs are any lower for a person under 21 who has a disability.

SIL providers will normally pay rent for properties based on 25% of the adult rate of DSP (multiplied by the number of residents). This means the provider will end up subsidising the costs for people on the under 21 rate. We have not heard of a SIL provider who has refused to provide services to a person on the lower rate, however this would have to be a risk given the tight commercial environment in which they operate.

The feasibility of young people affording private rent plus usual food, utilities and other living expenses on \$585.00 per fortnight seems extremely remote. In our experience, many end up homeless, living in youth shelters or "couch surfing". These situations are entirely inappropriate for a young person with a significant cognitive impairment - sometimes with multiple disabilities and very complex needs - and place the person at great risk of many adverse outcomes.

Please note we do not have the same concerns about the "living at home" rates: \$379.00 per fortnight for a person under 18 and \$429.60 per fortnight for 18-20 year-olds. Presumably those young people would have the support of family or others and would not have primary responsibility for the payment of housing costs and utilities. It does seem somewhat incongruous that an 18-20 year old living independently is paid only \$155 per fortnight more than an 18-20 year old living at home.

We are deeply concerned the rate of DSP for a person under 21 is simply inadequate to cover the costs of independent living, either for those paying private rent or for those living in shared supported independent living arrangements.

We respectfully request that you give this your urgent attention in the interests of removing what is a highly discriminatory treatment of some of our communities' most vulnerable people.

You may respond to me on behalf of those organisations listed below. In that regard I may be contacted by phone on (03) 6165 7560 or by email to kim.barker@publicguardian.tas.gov.au.

Yours sincerely,

Kim Barker (Ms) Public Guardian – TAS

Mary Burgess Public Advocate - QLD

Anne Gale Public Advocate - SA

Jodie Griffiths-Cook Public Advocate - ACT

Megan Osborne Acting Public Guardian - NSW Natalie Siegel-Brown Public Guardian - QLD

Colleen Pearce Public Advocate - VIC

Andrew Taylor Public Trustee and Guardian - ACT

Beth Walker Public Guardian - NT



GPO Box 825 Hobart Tasmania 7001 Phone: 03 6165 3444 Email: OPG@publicguardian.tas.gov.au Web: www.publicguardian.tas.gov.au

Senator the Hon Anne Ruston Minister for Families and Social Services PO Box 6100 Senate Parliament House Canberra ACT 2600

3 February 2020

Dear Minister,

# Re: Youth rate of the Disability Support Pension

I attach for your reference a letter sent (in error) to Minister Stuart Robert on behalf of Public Guardians and Public Advocates from around Australia, detailing our concerns about the inadequate rate of the disability support pension (DSP) paid to young people under 21 years of age living away from home. I understand the matter was referred to the Department of Social Services, and I also attach the response received.

My colleagues and I consider the undertaking of your Department to consider this matter "in any future policy reviews" to be insufficient. We remain deeply concerned that the low rate of income provided to young people with disabilities under 21 years of age - \$585.00 per fortnight compared to \$933.40 for a person aged 21 or over - is grossly inadequate. Many young people with cognitive disabilities are highly vulnerable. The inability to afford safe housing and essential food, clothing, utilities and medication places them at significant risk of severe adverse health outcomes, misadventure and exploitation.

We would appreciate you explaining the policy basis for such discriminatory and unsafe treatment of these disadvantaged and vulnerable members of our communities. We implore you to urgently review the policy and to increase the rate of DSP for young people under 21 living away from home to that paid to a person aged 21 or over.

Yours sincerely,

Kim Barker (Ms) Public Guardian Office of the Public Guardian

Mary Burgess Public Advocate – QLD

Anne Gale Public Advocate - SA

Jodie Griffiths-Cook Public Advocate - ACT Christina Thompson Acting Public Guardian - QLD

Colleen Pearce Public Advocate - VIC

Beth Walker

**Public Guardian - NT** 

Andrew Taylor Public Trustee and Guardian - ACT

Megan Osborne Acting Public Guardian – NSW

Helen Connolly Acting Deputy Public Trustee & Guardian - ACT



Australian Government

# **Department of Social Services**

MC20-000984

Ms Kim Barker PO Box 825 HOBART TAS 7000

Dear Ms Barker

Thank you for your follow up letter of 3 February 2020 to the Minister for Families and Social Services, Senator the Hon Anne Ruston, concerning youth rates of Disability Support Pension. The Minister has asked the department to reply.

As previously advised, input from individuals, groups and organisations is an important part of the policy review process and I acknowledge the concerns you have put forward. When determining the direction of policy, the Australian Government needs to balance a range of competing priorities. As you can appreciate, any changes to these rules would require amendments to legislation and have fiscal impacts, which would need to be carefully considered in the context of the Government's broader legislative and budgetary priorities. Any legislative change would also take time, to ensure bills are appropriately considered by the Parliament, and can take up to a year or longer to pass.

While it is not possible to comment on the timing of any considerations, thank you again for taking the time to write.

Yours sincerely

Andrews Seebach Branch Manager Carer and Disability Payments

7 March 2020